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7 BEFORE THE INSURANCE COMMISSIONER
8 OF THE STATE OF WASHINGTON

9 In the Matter of the Application
10 regarding the Conversion and
11 Acquisition of Control of Premera Blue
12 Cross and its Affiliates.

No. G 02-45

PREMERA'S COMMENTS ON THE
COMMISSIONER'S SIXTEENTH
ORDER

For use at the October 8, 2003
Conference

13
14 In his Sixteenth Order: Notice Regarding Public Hearing Procedures and Setting of
15 Conference, the Washington State Insurance Commissioner (the "Commissioner") invited
16 the OIC Staff, Premera, and the Intervenors to comment on the procedures set forth in the
17 Sixteenth Order.

18 Premera respectfully submits the following comments:

19 **1. Public Testimony**

20 Premera supports the Commissioner's determination regarding public testimony at
21 the four locations and on the four dates proposed.

22 Premera requests that there be a court reporter at each session. Premera is
23 prepared to arrange for, and pay the cost of, the attendance of a court reporter at each of
24 these sessions.
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PREMERA'S COMMENTS ON THE
COMMISSIONER'S SIXTEENTH ORDER - 1

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1 **2. Public Comment**

2 Premera welcomes public comment. Like the Commissioner, though, Premera has
3 concerns about comments that are submitted via email and regular mail. Because such
4 comments are unsworn and are untested as to authenticity, accuracy, and reliability, they
5 do not rise to the level of evidence that may be considered in a quasi-judicial
6 administrative proceeding.

7 The Sixteenth Order indicates that the Commissioner intends to treat such
8 comments as illustrative of the level of public interest in this matter. On that
9 understanding, Premera does not object to their being included in the administrative
10 record. Premera does ask that the Commissioner and the OIC Staff make all such
11 comments received by either of them available to Premera as soon as they come into the
12 respective offices of the Commissioner and/or the OIC Staff.

13 **3. Publication of the Expert Reports**

14 Premera recognizes the Commissioner's desire to make sure that the public is
15 informed about this matter and given ample opportunity to express its views. Premera
16 agrees with the concept of having executive summaries that are fully disclosable. Premera
17 also agrees that portions of the final expert reports (and, if applicable, executive
18 summaries) that contain confidential information should be marked and segregated, so
19 that the remainder can be disclosed to the public.

20 To accomplish these objectives, Premera needs to have an opportunity, in advance
21 of any release date, to review the executive summaries and final reports to make sure that
22 confidential and proprietary information is not disclosed but, rather, redacted from the
23 public versions. For this reason, Premera asks that the Commissioner establish deadlines
24 for the submission of proposed final reports and executive summaries by the OIC Staff's
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PREMERA'S COMMENTS ON THE
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1 and the Intervenor's respective experts, so as to provide Premera with an opportunity to
2 review the reports and executive summaries and make the necessary redactions.

3 **a. OIC Staff's consultants**

4 Premera proposes the following in regard to executive summaries of the final
5 reports of OIC Staff's Consultants: (1) the OIC Staff will submit the proposed final
6 executive summaries to Premera by noon on October 22nd; (2) Premera will submit any
7 proposed redactions of those executive summaries by 5:00 p.m. on October 23rd; and (3) if
8 the OIC Staff does not agree to such redactions, the Special Master will make the final
9 decision by noon on October 27th, so that the executive summaries can be made public by
10 close of business on October 27th.

11 With respect to the final reports of the OIC Staff's consultants, Premera proposes
12 the following: (1) the OIC Staff will submit the proposed final reports (with confidential
13 information clearly marked and segregated) to Premera by October 28th; (2) Premera will
14 submit any proposed additional redactions of those final reports by October 31st; and (3) if
15 the OIC Staff does not agree to such redactions, the Special Master will make the final
16 decision so that redactions of the OIC Staff's Consultants' final reports can be completed
17 by November 3rd.

18 **b. Intervenor's experts**

19 In regard to executive summaries of the Intervenor's experts reports, Premera
20 proposes the following: (1) the Intervenor will submit to Premera and to the OIC Staff
21 their proposed executive summaries on November 10th; (2) Premera and the OIC Staff
22 will have until November 14th to submit proposed redactions; and (3) if the Intervenor do
23 not agree, the Special Master will make the final decision by November 19th, so that the
24 executive summaries can be published to the public on November 24th.

1 Premera proposes that redactions of the Intervenor's expert reports be done as
2 follows: (1) the Intervenor will submit to Premera and the OIC Staff their proposed final
3 reports on November 10th; (2) Premera and the OIC Staff will have until November 19th to
4 submit proposed redactions; and (3) if the Intervenor does not agree, the Special Master
5 will make the final decision.

6 **4. Special Master's Role**

7 Premera agrees with the Commissioner's determination regarding the use of the
8 Special Master at the hearing.

9 Premera looks forward to discussing these comments at the conference on October
10 8th.

11 DATED this 7th day of October, 2003.

12
13 PRESTON GATES & ELLIS LLP

14
15 By Robert B. Mitchell
16 Thomas E. Kelly, Jr., WSBA #05690
17 Robert B. Mitchell, WSBA # 10874
18 Attorneys for Petitioner
19 PREMERA and Premera Blue Cross
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BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF WASHINGTON

In the Matter of the Application
Regarding the Conversion and
Acquisition of Control of Premera Blue
Cross and its Affiliates

No. G02-45

CERTIFICATE OF SERVICE

I, Joseph Smalls, certify that I served a copy of the following document(s):

1. Premera's Comments On The Commissioner's Sixteenth Order; and
2. Certificate of Service;

on all parties or their lead counsel of record on the date below as follows:

Service To:	Service Perfected By:
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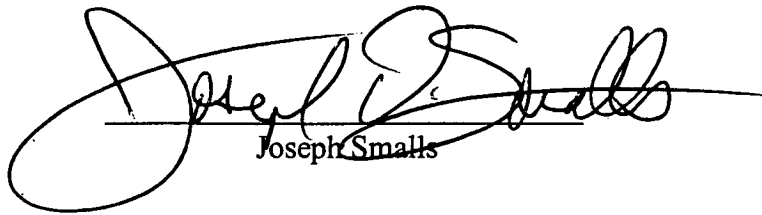
1 **Service To:**

Service Perfected By:

2 [] By E-Mail

3
4 I certify under penalty of perjury under the laws of the State of Washington that
5 the foregoing is true and correct.

6 DATED this Tuesday, October 07, 2003.

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8 
9 Joseph Smalls

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CERTIFICATE OF SERVICE - 3

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